



## RESOLUTION

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AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF BUDGET AND FISCAL SERVICES OF THE CITY AND COUNTY OF HONOLULU OR THE DIRECTOR'S DESIGNEE TO ENTER INTO AN AGREEMENT WITH THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION ("HART") REGARDING ISSUANCE AND SALE IN ONE OR MORE SERIES NOT TO EXCEED \$44,000,000 PRINCIPAL AMOUNT OF THE GENERAL OBLIGATION BONDS OF THE CITY AND COUNTY OF HONOLULU FOR THE PURPOSE OF FINANCING CAPITAL COSTS OF THE HONOLULU RAIL TRANSIT PROJECT.

WHEREAS, pursuant to the Revised Charter of the City and County of Honolulu 1973, as amended, Section 17-109, the Honolulu City Council ("Council"), at the request of HART, may authorize the City and County of Honolulu ("City") to issue bonds, which can currently take the form of general obligation bonds, general obligation commercial paper notes, general obligation bond anticipation notes and other forms of general obligation indebtedness for the Honolulu High Capacity Transit Corridor Project, now known as the Honolulu Rapid Transit Project ("H RTP"); and

WHEREAS, Resolution 18-132 authorizes the City to issue and sell general obligation bonds ("GO Bonds") in an aggregate principal amount not to exceed \$44,000,000 provided that:

1. The Council passes an amendment to Ordinance 07-001 to allow City funds to be used to pay the principal, interest and other bond-associated costs of these GO Bonds in the aggregate principal amount not to exceed \$44,000,000;
2. The City and HART enter into an agreement (the "Agreement") regarding the issuance and sale of these GO Bonds in the aggregate principal amount not to exceed \$44,000,000 to set forth the obligations of HART to the City and the City to HART concerning these GO Bonds; and
3. The City, as set forth in the Agreement, agrees to be responsible for payment of principal, interest, and other bond-associated costs for these GO Bonds in the aggregate principal amount not to exceed \$44,000,000; and

WHEREAS, upon its approval, Bill 42 (2017), CD1, and as may be further amended, amends Ordinance 07-001 to allow City funds to be used to pay the principal, interest and other bond-associated costs of GO Bonds in the aggregate principal amount not to exceed \$44,000,000; and



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WHEREAS, in order to satisfy the requirements of Resolution 18-132, the City and HART mutually recognize the need to enter into a new Agreement regarding the issuance and sale of GO Bonds, including H RTP Commercial Paper, in the aggregate principal amount not to exceed \$44,000,000 and to set forth the obligations of HART to the City and the City to HART, including the City's payment of principal, interest and bond-associated costs only for this specific issuance in the aggregate principal amount not to exceed \$44,000,000 GO Bonds transaction; and

WHEREAS, upon its approval, Bill 42 (2017), CD1, and as may be further amended, provides that Section 15 of Ordinance 01-28, as amended by Ordinances 04-36, 10-15, and 15-46, shall not apply to the issuance and sale of H RTP Commercial Paper or other forms of general obligation indebtedness for which the City and County is required to pay principal, interest and any other costs relating to the issuance of H RTP Commercial Paper and other forms of general obligation indebtedness, and

WHEREAS, a copy of the proposed Agreement between the City and HART is attached hereto as "Exhibit A" and incorporated herein by this reference; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that:

- (1) Pursuant to Resolution 18-132, the Council hereby consents to and approves of the Agreement between the City and HART, in substantially the form attached hereto as Exhibit A;
- (2) The Director of the Department of Budget and Fiscal Services or the Director's designee is authorized to execute the Agreement with HART in substantially the form attached hereto as Exhibit A; and
- (3) The Director of the Department of Budget and Fiscal Services or the Director's designee is authorized to execute any incidental or related agreements, amendments and documents in furtherance of the above Agreement so long as such agreements, amendments and documents do not incur additional obligations on the part of the City; and



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BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Director of the Department of Budget and Fiscal Services, whose mailing address is 530 South King Street, Room 208, Honolulu, Hawaii 96813; and the Executive Director and Chief Executive Officer of HART, whose mailing address is 1099 Alakea Street, Suite 1700, Alii Place, Honolulu, Hawaii 96813.

INTRODUCED BY:

(br)

DATE OF INTRODUCTION:

**OCT 2 2 2018**

Honolulu, Hawaii

Councilmembers

EXHIBIT A

**AGREEMENT  
BETWEEN THE CITY AND COUNTY OF HONOLULU AND  
THE HONOLULU AUTHORITY FOR RAPID  
TRANSPORTATION REGARDING THE GENERAL  
OBLIGATION BONDS (\$44 MILLION)**

This AGREEMENT BETWEEN THE CITY AND COUNTY OF HONOLULU AND THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION REGARDING THE GENERAL OBLIGATION BONDS (\$44 MILLION)(this "Agreement") is entered into and effective this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between the City and County of Honolulu (the "City") whose mailing address is 530 South King Street, Room 208, Honolulu, Hawaii 96813, and the HONOLULU AUTHORITY FOR RAPID TRANSPORTATION, a semi-autonomous agency of the City and County of Honolulu ("HART"), whose mailing address is 1099 Alakea Street, Suite 1700, Honolulu, Hawaii 96813. The City and HART are collectively referred to as the "Parties."

WHEREAS, pursuant to amendments to the Revised Charter of the City and County of Honolulu 1973, as amended (the "Charter" or "RCH"), including Article XVII, HART was established, effective July 1, 2011, as a public transit authority originally responsible for the development, operation, maintenance and expansion of the Honolulu High Capacity Transit Corridor Project, now known as the Honolulu Rail Transit Project ("H RTP"); and

WHEREAS, by Act 247 (2005), Session Laws of Hawaii Regular Session of 2005, codified at Hawaii Revised Statutes ("HRS") Section 46-16.8, a county surcharge on the state general excise and use tax was authorized to fund public transportation systems; and

WHEREAS, by Ordinance 05-27, codified at Revised Ordinances of Honolulu 1990, as amended ("ROH"), Section 6-60.1, there was established a one-half percent general excise and use tax surcharge (the "county surcharge") for funding the operating and capital costs of the H RTP; and

WHEREAS, on December 5, 2012, the Honolulu City Council ("Council") adopted Resolution 12-322 authorizing the City to enter into a Full Funding Grant Agreement with the federal government for the H RTP, providing grant funding in the amount of \$1.55 billion; and

WHEREAS, the Full Funding Grant Agreement entered into on December 19, 2012, between the City and the Federal Transit Administration ("FTA"), references project capital cash flow schedules requiring debt financing (the "Full Funding Grant Agreement"); and

WHEREAS, Section 3 of Act 240 (2015), Sessions Laws of Hawaii Regular Session of 2015 ("Act 240") and Section 2 of Act 1 (2017), Sessions Laws of Hawaii First Special Session of 2017 ("Act 1") both, among other things, amended HRS Section 46-16.8 to provide for a five-year extension of the county surcharge beyond December 31, 2022 to December 31, 2027 and a further extension to December 31, 2030, respectively; and

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WHEREAS, the Council enacted Ordinance 16-1, 17-11, and 17-48: (1) to amend Ordinance 05-27, now ROH Chapter 6, Article 60 and (2) to effectuate the extension of the county surcharge for the City permitted under Section 3 of Act 240 and then permitted under Section 2 of Act 1, while complying with the mandate that Ordinance 05-27 be repealed on December 31, 2022; and

WHEREAS, Act 1 further amended HRS Section 46-16.8 to restrict the use of funds generated by the county surcharge and the transient accommodations tax for the HRTTP to its "capital costs," as defined therein; and

WHEREAS, RCH Article XVII, Section 17-114, created HART and established a special transit fund (the "Transit Fund") into which shall be transferred the county surcharge on state tax and all revenues generated by the fixed guideway system; and

WHEREAS, pursuant to RCH Article XVII, Section 17-109, the Council, when requested by HART may authorize the City to issue bonds, which can currently take the form of general obligation bonds, general obligation commercial paper notes, general obligation bond anticipation notes and other forms of general obligation indebtedness for the HRTTP; and

WHEREAS, pursuant to Ordinance No. 15-46, Resolution Nos. 15-313, 15-314, 17-172, CD1, and 17-173, the Council has approved and authorized the City to issue general obligation bonds, including general obligation tax exempt commercial paper, subject to reimbursement by HART under the Memorandum of Understanding dated May 7, 2015, as amended and restated by Amendment No. 1 and Restatement of the Memorandum of Understanding Between the City and County of Honolulu and The Honolulu Authority for Rapid Transportation Regarding the General Obligation Bonds dated July 26, 2017 (the "City/HART MOU"), between HART and the City; and

WHEREAS, the Charter was amended by Charter Amendment No. 4 (2016) to amend HART's responsibilities (1) to include the planning, design, development and construction of the HRTTP and to place operations and maintenance responsibilities for the HRTTP solely in the City Department of Transportation Services ("DTS"), and (2) to transfer the legal rights and obligations relating to HRTTP operations and maintenance from HART to DTS effective July 1, 2017; and

WHEREAS, on October 6, 2017, the Council adopted Resolution 17-266, FD1 approving a Recovery Plan dated September 15, 2017 for the HRTTP (the "Recovery Plan"), including a revised financial plan (the "updated Financial Plan"), that authorized HART to execute documents with the federal government in connection with the Recovery Plan as long as such documents do not incur additional obligations on the part of the City, which Recovery Plan was submitted by HART to the FTA; and

WHEREAS, if accepted by the FTA, the Recovery Plan, including the updated Financial Plan, will amend and be made a part of the Full Funding Grant Agreement; and

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WHEREAS, the Council enacted Ordinance No. 18- \_\_\_\_ (Bill 42 (2017), CD1, and as may be further amended) on \_\_\_\_, 2018, to amend Ordinance 07-001 to allow capital costs of the H RTP and any interest to finance those capital costs to be paid from City revenues (General Funds), but limited to no more than an aggregate total of \$214 million of City revenues (General Fund) and no more than \$26 million of City revenues (General Fund) in any fiscal year from and after fiscal year 2020, identified as "City Subsidy" and "Additional Funds" in Figure 6-1 in the above referenced Recovery Plan (the "City Limitation"), provided, however, these monies shall not apply to payment of interest on debt service and any other costs relating to the issuance or refunding of commercial paper and other forms of general obligation indebtedness arising from the financing of principal required to be paid from City revenues and not payable from other sources of revenue, and

WHEREAS, the Council adopted Resolution No. 18-132, \_\_\_\_ on \_\_\_\_, 2018 to authorize the issuance and sale of City general obligation bonds not to exceed a \$44 million principal amount to pay for such expenditures in fiscal year 2019; and

WHEREAS, such debt financing is to be used only for the completion of the H RTP; and

WHEREAS, the City and HART share the mutual objective of financing the H RTP in the most cost-efficient and effective manner by working together: (1) to provide the FTA assurance of the funding from the City, limited to the funding gap amounts as stated in the Recovery Plan and approved by the Council through Resolution 17-266, FD1, but in no event shall such gap amounts exceed the City Limitation; (2) to enter into an agreement between HART and the City regarding the issuance and sale of a not-to-exceed total amount of City general obligation bonds for HART that will not require reimbursement by HART to the City for costs, interest or principal, including debt servicing, as required by the FTA, and (3) to ensure timely cash availability at the lowest possible cost to the taxpayers; and

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements herein, and of any general obligation bonds, general obligation bond anticipation notes, general obligation commercial paper notes, or any other form of general obligation indebtedness or obligation that constitutes a first charge on the General Fund of the City in accordance with the Constitution and other laws of the State of Hawaii issued by or entered with the City in whole or in part subject to the limitations as stated in Ordinance No. 18- \_\_\_\_ (Bill 42 (2017), CD1, and as may be further amended) and Resolution No. 18-132, \_\_\_\_, to finance the acquisition, construction, replacement, rehabilitation, approved extension or completion of the H RTP or related facilities or purposes (collectively, "Special Project Bonds"), HART and the City agree as follows:

## ARTICLE I.

### COVENANTS OF HART

*Section 1.01* HART shall, at all times, (a) manage and control moneys made available to HART in the Transit Fund (and other funds under the control of HART) so that there will be

## EXHIBIT A

sufficient moneys available to punctually pay or cause to be paid all amounts payable under this AGREEMENT and the Special Project Bonds and other related documents and (b) duly observe and perform all of the conditions, covenants and requirements set forth in this AGREEMENT and the Special Project Bonds and other related documents.

*Section 1.02* So long as any Special Project Bonds are outstanding, HART shall not suffer or permit any change, restriction, impairment, modification or alteration to the receipt, collection, deposit, transfer or payment of HART revenues (moneys derived from the county surcharge on state tax (the "county surcharge"), lease revenues, state or federal grant moneys (to the extent not restricted by the grantor to other purposes), and any other moneys that are deposited into the Transit Fund or other fund under the control of HART, including any investment income thereon, (collectively "HART revenues")) either hereunder or in any other manner in any material respect, without the written concurrence of the City,

*Section 1.03* HART hereby grants to the City a first priority security interest in all amounts held or required to be deposited in the Transit Fund or other applicable accounts or funds, all HART revenues (as defined in Section 1.02 hereof), and all amounts of money held by HART derived from HART revenues including investment income thereon, in order to secure obligations of HART to the City under this AGREEMENT.

*Section 1.04* HART shall (a) obtain the consent of the City prior to entering into or issuing any other forms of indebtedness (including, but not limited to, bonds, notes, leases, federal or state loans and bank lines of credit and letters of credit) either (i) relating to the HART, or (ii) secured by HART revenues (as defined in Section 1.02 hereof); and (b) prior to the issuance or execution thereof, provide to the City any agreement and other documents relating thereto.

*Section 1.05* HART shall promptly notify the City Director of Budget and Fiscal Services and the Council of

- (a) the existence and status of any litigation, or the passage of any federal, state or local ordinance, law or rule not of general applicability to all persons, either of which could reasonably be expected to have a material adverse effect on (i) the financial condition or operations of HART, including, but not limited to, HART revenues (as defined in Section 1.02 hereof), (ii) the Special Project Bonds or (iii) the enforceability or validity of any of this AGREEMENT or any related documents;
- (b) any change in any material fact or circumstance represented or warranted in this AGREEMENT or in any other related documents; and
- (c) any communications, reports or financial statements delivered or received by it from any taxing authority or rating agency with respect to the transactions contemplated hereby (together with a copy of such communication, report, or statement).

*Section 1.06* HART shall ensure that all data, certificates, reports, opinions of counsel, documents and other information furnished to the City and the Council, whether pursuant to this AGREEMENT, or in connection with or pursuant to an amendment or modification of, or waiver under, this AGREEMENT, shall,

## EXHIBIT A

at the time the same are so furnished, (a) be complete and correct in all material respects to the extent necessary to give the City and the Council true and accurate knowledge of the subject matter thereof, and (b) not contain any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading, and the furnishing of the same to the City and the Council shall constitute a representation and warranty by HART to that effect. Each financial statement furnished to the City and the Council, whether pursuant to this AGREEMENT, or in connection with or pursuant to an amendment or modification of, or waiver under, this AGREEMENT, shall, at the time the same is so furnished, fairly present the financial condition and results of operations of HART.

### ARTICLE II.

#### ISSUANCE AND SALE OF SPECIAL PROJECT BONDS

*Section 2.01* The City shall be responsible for the issuance and sale of Special Project Bonds pursuant to HRS Chapter 47, County Bonds, to meet the "City Subsidy" and "Additional Funds" required in the above referenced Recovery Plan of HART requested through its resolution and cash flow projections submitted to Council. Issuance will be a distinct series and not commingled with other City projects.

*Section 2.02* The HART request to meet the project Recovery Plan requirements described in Section 2.01 may be modified by mutual agreement between the City and HART during the term of the AGREEMENT as needed based on updated Recovery Plan needs and financial market conditions.

*Section 2.03* Pursuant to HRS Section 47-4 and RCH Section 17-109, HART will submit a request to the Council in the form of a resolution adopted by the Board of Directors of HART, requesting the issuance and sale of Special Project Bonds.

*Section 2.04* HART shall provide any information requested by the City in connection with obtaining or maintaining ratings on such Special Project Bonds, selling those bonds or complying with any continuing disclosure undertaking the City is required to make in connection with the sale of the Special Project Bonds.

*Section 2.05* HART consents to the inclusion by the City of any or all of this AGREEMENT or reference to it in any of its documents comprising a contract with the holders of those Special Project Bonds or in its offering or disclosure documents relating to those bonds, and, whether or not so included, for this AGREEMENT to be enforceable against HART by the City or by or on behalf of the bondholders of Special Project Bonds.

*Section 2.06* HART shall be a party to or otherwise bound by and responsible for compliance with any tax covenants, certificates or agreements entered into by the City in connection with the issuance of such Special Project Bonds, related to establishing and preserving the (A) exemption of interest on those bonds from federal income taxation; or (B) treatment of those bonds as tax credit or tax subsidy bonds.



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*Section 2.07* HART shall keep adequate records and books of account, in which complete entries will be made (including, but not limited to any applicable records of HART that relate to Special Project Bonds, expenditure of Special Project Bond proceeds and use of facilities financed with Special Project Bond proceeds) reflecting all financial transactions of HART; and at any reasonable time and from time to time, permit and otherwise provide access to the City or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, HART and to discuss the affairs, finances and accounts of HART with any of the HART's officers, trustees and independent auditors (and by this provision, allow HART's auditors to discuss with the City or its agents or representatives, the affairs, finances and accounts of HART).

*Section 2.08* HART shall provide to the City Director of Budget and Fiscal Services and the Council, monthly cash flow schedules detailing and updating the financial requirements for the H RTP and any revisions of the Recovery Plan.

### ARTICLE III.

#### **PROVISIONS AS TO PAYMENT OF PRINCIPAL, INTEREST AND OTHER SPECIAL PROJECT BOND ASSOCIATED COSTS**

*Section 3.01* The City shall, on behalf of HART, make payment from City revenues (General Funds),

- (a) in the amounts of any principal or interest or redemption premium that are from time to time due and payable on these Special Project Bonds, and
- (b) in the amounts of, and at the time any costs are incurred by the City in connection with issuance of these Special Project Bonds, that are not paid from proceeds of those bonds, as well as any ongoing costs relating thereto, including but not limited to, costs relating to post-issuance compliance; tax compliance; rebate; continuing disclosure; bank, rating agencies, credit enhancement, paying agent, and remarketing fees; and costs in connection with any audits.

### ARTICLE IV.

#### **EVENTS AND REMEDIES**

*Section 4.01 Events.* If one or more of the following events shall have occurred, then the City may institute any of the remedies described in Section 4.02. HART shall immediately notify the City Director of Budget and Fiscal Services and the Council of any event or events that have occurred.

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- (a) Month-end cash balance in the Transit Fund falls below \$25 million for three (3) consecutive months.
- (b) The State of Hawaii Council on Revenues forecasts of General Excise Tax revenue for the forthcoming year declines by twenty (20) percent or more.
- (c) County surcharge revenue is less than project to date projected revenue by twenty (20) percent or more for two (2) consecutive calendar quarter(s) or more.
- (d) Receipt of federal grant reimbursement monies in the Transit Fund is delayed by three (3) month(s) or more.
- (e) H RTP Project actual or projected contingency amounts enter into the buffer zone. The buffer zone is the area which is 5% to 10% above the minimum contingency as established in HART's Risk and Contingency Management Plan (RCMP).
- (f) The ending project cash balance per the quarterly Debt and Financial Plan, provided in Section 5.05(a), is less than the average ending project cash balance in the prior two quarterly Debt and Financial Plans.
- (g) HART fails to observe and perform any covenant, condition or agreement on its part to be observed or performed under this AGREEMENT other than as referred to in Section 3.02 hereof for a period of thirty (30) days.
- (h) Any representation, warranty or statement made by or on behalf of HART herein or in any related document or in any certificate delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date made or deemed made; or the documents, certificates or statements of HART furnished to the City by or on behalf of HART in connection with the transactions contemplated hereby, when taken as a whole, are materially inaccurate in light of the circumstances under which they were made and as of the date on which they were made.

*Section 4.02 Remedies.* If one or more events in Section 4.01 shall have occurred, HART and the City shall meet to discuss the event(s) to gain a full understanding of the causes and to establish action items to address the issues. HART shall immediately notify the Council of any courses of action, action items or remedies agreed to by HART and the City. If HART and the City cannot agree on a course of action or acceptable action items cannot be identified then the City may institute any of the remedies described below.

- (a) HART shall engage and pay for the cost of an independent consultant approved by the City having special skill, knowledge and experience in (a) analyzing the operations of transportation systems substantially similar to the H RTP, (b) forecasting surcharges and taxes similar to the county surcharge, (c) preparing feasibility reports respecting the financing of such transportation systems and (d) advising on the operation of such transportation systems to audit and make recommendations on the operations and financial viability of HART.

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(b) The City, after consultation with the HART Board, shall appoint certain parties to monitor the financial administration and operations of HART. HART shall reimburse the City for any costs incurred.

### ARTICLE V.

#### **FINANCIAL AND OTHER BOOKS, RECORDS AND REPORTS**

*Section 5.01* The City shall keep adequate records and books of account, in which complete entries will be made reflecting all transactions related to the issuance and sale of Special Project Bonds by the City per ARTICLE II of this AGREEMENT, including but not limited to the principal amounts of each issuance; issuance cost; capitalized cost; annual amortization amounts; annual principal and interest payments; accrued interest amounts; long-term and current portions of each issuance; and estimated rebatable arbitrage amounts.

(a) Such information shall be conveyed to HART as soon as available and in any event within ninety (90) days after the end of each fiscal year of the City for inclusion in HART's annual financial statements.

*Section 5.02* HART shall keep adequate records and books of account, in which complete entries will be made, reflecting all financial transactions of HART; and at any reasonable time and from time to time, permit the City or any agents or representatives thereof to examine and make copies of and abstracts from the records and books of account of, and visit the properties of, HART and to discuss the affairs, finances and accounts of HART with any of HART's officers, trustees and independent auditors (and by this provision, HART authorizes said auditors to discuss with the City or its agents or representatives, the affairs, finances and accounts of HART).

*Section 5.03* HART shall provide to the City Director of Budget and Fiscal Services and the Council a monthly accounting of the receipts, deposits, application and expenditure of the moneys (HART revenues referenced in Section 1.02 hereof).

*Section 5.04* HART shall furnish to the City from time to time at HART's expense, all further instruments and documents, duly executed and delivered by HART, and take all further action that may be reasonably necessary, or that the City may reasonably request, in order to

(a) protect any security interest or other right or interest assigned, or purported to be assigned, to the City under or in connection with this AGREEMENT or any related documents; or

(b) enable the City to exercise or enforce its rights or remedies under or in connection with this AGREEMENT, or any related documents.

*Section 5.05* HART shall provide the following reports to the City Director of Budget and Fiscal Services and the Council:

## EXHIBIT A

- (a) An updated Debt and Financial Plan with the actual revenues and expenditures to date to be provided quarterly within fifteen (15) calendar days after the end of the quarter.
- (b) As soon as available and in any event within one hundred-thirty (130) days after the end of each fiscal year of HART, the audited financial statements of HART, including a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flow of HART setting forth in comparative form to the budget for such fiscal year and the corresponding figures for the preceding fiscal year, all in reasonable detail and prepared in accordance with generally accepted accounting principles for state and local governments consistently applied;
- (c) Such additional information regarding the financial position or business of HART as the City may from time to time reasonably request; and
- (d) As soon as available, but in any event within fifteen (15) days of adoption by HART, a copy of the annual budget of HART.

## ARTICLE VI.

### **TERM AND MODIFICATION OF AGREEMENT**

*Section 6.01* The City and HART agree that this Agreement is a separate agreement from the City/HART MOU, that the City/HART MOU does not apply to the Special Project Bonds, and that this Agreement governs the matters relating to the City's and HART's obligations with respect to the Special Project Bonds.

*Section 6.02* The term of this AGREEMENT expires with the later of the repayment of all HRTF debt financing obligations and other obligations HART has to the City under this AGREEMENT or the expiration date of the county surcharge.

EXHIBIT A

*Section 6.03* The terms of the AGREEMENT may be modified by mutual written agreement of HART and the City.

IN WITNESS WHEREOF, the Parties hereto have executed this AGREEMENT on the date first above written.

**City and County of Honolulu**

**Approved as to Form and Legality:**

By \_\_\_\_\_  
NELSON H. KOYANAGI, JR.  
Director, Budget and Fiscal Services

By \_\_\_\_\_  
Deputy Corporation Counsel

**Honolulu Authority for Rapid Transportation**

**Approved as to Form and Legality:**

By \_\_\_\_\_  
ANDREW S. ROBBINS  
Executive Director and CEO

By \_\_\_\_\_  
Deputy Corporation Counsel

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
CERTIFICATE

RESOLUTION 18-237


Introduced: 10/22/18 By: ERNEST MARTIN – BY REQUEST Committee: LEGISLATIVE MATTERS

Title: RESOLUTION AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF BUDGET AND FISCAL SERVICES OF THE CITY AND COUNTY OF HONOLULU OR THE DIRECTOR'S DESIGNEE TO ENTER INTO AN AGREEMENT WITH THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION ("HART") REGARDING ISSUANCE AND SALE IN ONE OR MORE SERIES NOT TO EXCEED \$44,000,000 PRINCIPAL AMOUNT OF THE GENERAL OBLIGATION BONDS OF THE CITY AND COUNTY OF HONOLULU FOR THE PURPOSE OF FINANCING CAPITAL COSTS OF THE HONOLULU RAIL TRANSIT PROJECT.

Voting Legend: \* = Aye w/Reservations

10/30/18	SPECIAL LEGISLATIVE MATTERS	CR-371 – RESOLUTION REPORTED OUT OF COMMITTEE FOR ADOPTION.
10/30/18	SPECIAL COUNCIL	CR-371 AND RESOLUTION 18-237 WERE ADOPTED. 7 AYES: ANDERSON, ELEFANTE, FUKUNAGA, MANAHAN, MARTIN, MENOR, PINE. 2 NOES: KOBAYASHI, OZAWA.

I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
GLEN I. TAKAHASHI, CITY CLERK

  
ERNEST Y. MARTIN, CHAIR AND PRESIDING OFFICER